

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of

Application by Verizon New England,)
Inc. Bell Atlantic Communications,)
Inc. (d/b/a Verizon Long Distance),)
NYNEX Long Distance Company,)
(d/b/a Verizon Enterprise Solutions), Verizon)
Global Networks, Inc., and Verizon Select)
Services (collectively, "Verizon") for)
Authorization to Provide In-Region,)
InterLATA Services in the States of)
Delaware and New Hampshire)

CC Docket No. 02-157

COMMENTS OF

TELECOMMUNICATIONS RESEARCH AND ACTION CENTER

July 17, 2002

I. STATEMENT OF INTEREST

The **Telecommunications Research and Action Center (TRAC)** wishes to take this opportunity to submit the following Comments in the above referenced proceeding.

TRAC is a non-profit membership organization based in Washington, D.C. Its primary goal is to promote the interests of residential telecommunications customers. TRAC produces a publication series called *TeleTips*[™] that researches the prices and services of residential and small business long distance plans. TRAC also produces *TeleTips*[™] publications that compare the prices and services offered by directory assistance and dial around (or "10-10") numbers.

These *TeleTips*[™] publications help residential and small business customers to be more informed about the prices they are paying for telecommunications services. They also allow customers to compare their current long distance service carrier with others carriers to determine if they can save money by switching to another carrier or by using alternative services. TRAC also operates an informative website (www.trac.org). TRAC's publications have been featured in and quoted by a broad range of both local and national media including *The New York Times*, *The Washington Post*, *USA Today*, *Kiplinger's Magazine*, *Good Housekeeping*, *Communications Daily*, *CNN*, and the major television networks and their affiliates.

II. INTRODUCTION

TRAC has been reporting on changes in the long-distance market ever since competition began. Over the past two years, TRAC has monitored the impact of state

telecommunications regulatory activity in ten states. TRAC estimates that projected aggregate savings for residential consumers range from \$850 million to \$3 billion annually based on greater competition in the telephone market.

III. COMMENTS

New Hampshire

TRAC prepared a January 30, 2002 study entitled, “Projecting Residential Savings in New Hampshire’s Telephone Market.” (Attachments 1 and 2) TRAC was particularly interested in the effect of Verizon’s entry would have on consumers’ choices for long-distance and local telephone services in New Hampshire. Accordingly, the study projected the potential savings that New Hampshire consumers could reasonably expect to achieve on their local and long-distance telephone bills one year after Verizon’s entry into the long-distance market.

Based on TRAC’s conservative estimates, New Hampshire residential consumers could save up to an estimated \$71 million in local and long distance costs one year after increased competition. Specifically, New Hampshire consumers can reasonably expect to save between \$477,000 and \$2.3 million on long-distance service each month one year after Verizon’s entry into the long-distance market. The study forecasts that each customers switching to Verizon for long distance service could save between \$4.31 and \$21.20 a month, or a combined savings between \$51.72 and \$254 a year.

TRAC also found that residential local telephone customers could realize up to \$3.5 million in savings each month, or over \$30.00 a month on their individual local phone

bill. In the study TRAC cautions consumers to investigate local service options and to be aware that new service plans and feature packages could greatly reduce monthly telephone bills.

Delaware

In its February 28, 2002 study entitled, “Projecting Residential Savings in Delaware’s Telephone Market,” TRAC examined the effect that Verizon’s entry would have on consumers’ choices for long-distance and local telephone services in Delaware. Accordingly, the study projected the potential savings that Delaware consumers could reasonably expect to achieve on their local and long-distance telephone bills one year after Verizon’s entry into the long-distance market. (Attachments 3 and 4)

Based on TRAC’s conservative estimates, Delaware residential telephone consumers could save up to an estimated \$34 million in local and long distance costs after one year of increased competition. Specifically, Delaware consumers could reasonably expect to save between \$302,000 and \$1.48 million on long-distance service each month one year after Verizon’s entry into the long-distance market. The study forecasts that each customer switching to Verizon for long distance service could save between \$4.31 and \$21.20 a month, or a combined savings between \$51.72 and \$254 a year.

TRAC also found that residential local telephone customers could realize up to \$1.39 million in savings each month, or over \$18.00 a month on their individual local phone bill. In all cases, TRAC urges consumers to be diligent in examining local service options

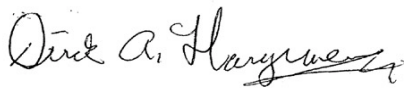
and be aware that new service plans and feature packages could greatly reduce monthly telephone bills.

TRAC acknowledges that the calculated savings for consumers who switched plans are rough estimates. Accordingly, the calculated savings for consumers could be somewhat greater or somewhat less than that computed. TRAC emphasizes that these savings estimates illustrate that consumers will benefit from being able to choose local and long distance carriers. This is particularly important given the potential disruption of service to consumers should a national provider of long distance service fall into bankruptcy.

IV. CONCLUSION

Consumers invariably benefit from new competition in the local and long distance markets. TRAC believes that the results of its New Hampshire and Delaware studies demonstrate the very tangible consumer benefits of new competition in the local and long distance markets.

Respectively Submitted,

A handwritten signature in cursive script, reading "Dirck A. Hargraves".

Dirck A. Hargraves
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Attachments (as noted)